STATE OF ARIZONA EXECUTIVE OFFICE JANET NAPOLITANO GOVERNOR WWW.AZGOVERNOR.GOV



NEWS RELEASE FOR MORE INFORMATION CONTACT: PRESS OFFICE (602) 542-1342

FOR IMMEDIATE RELEASE Wednesday, June 27, 2007

GOVERNOR TO MEET WITH OIL COMPANIES, DEMANDS ANSWERS Frustrated with Lack of Answers from the Western States Petroleum Association

PHOENIX – Governor Janet Napolitano recently met with representatives of the Western States Petroleum Association (WSPA) to discuss rising gas prices across Arizona. The Governor left the meeting with unanswered questions and the decision to meet with each of the major oil companies that does business in Arizona.

"Arizonans have a right to know why gas prices are on the rise and I intend to get a clear answer straight from the source – the oil companies," Governor Napolitano said.

During her meeting with WPSA, Governor Napolitano discussed refinery outages and a recent decision by the Tesoro Corporation to halt one refinery's fuel supply to Arizona. Arizona currently receives fuel via pipelines from refineries in Texas and California.

The Governor also encouraged WSPA members to invest in the construction of new fuel refineries, such as the refinery in Yuma County. The Arizona Department of Environmental Quality has issued permits for the construction of a refinery in Yuma County by 2011. That refinery would be the first new refinery in the nation in more than 30 years.

"It's time for this industry to stop complaining about government regulations and start making the investments we need to both secure the future of our growing state and ease the burden on the wallets of Arizona families," Napolitano said. "Oil companies continue to hold an oligopoly over a commodity vital to Arizona. We need solutions now."

The statewide average price for regular unleaded fuel hovers slightly below \$3 a gallon, and remains up eight cents compared to what it was one year ago. Prices in the Phoenix area are slightly below that number, but drivers in Prescott and Flagstaff face costs that are usually higher than average. According to the Consumer Price Index (CPI), gasoline prices nationwide were 4 percent higher this year than they were at the same time last year.

Sound bites of the Governor discussing her meeting with WSPA are attached.

For more information about the Office of the Governor, please visit www.azgovernor.gov.

Cut: 07-06-25 WSPA

Governor Napolitano discusses the results of her meeting with the Western States Petroleum Association.

:14 seconds - "I would call..." "... in the country."

Cut: 07-06-25 Oil Companies

Governor Napolitano discusses the next steps of her push to get a solution to high gas prices. :11 seconds - "What I'm going..." "... rapidly growing state."